Credit-Deposit Ratio

520. SHRI MANGANI LAL MANDAL: Will the Minister of FINANCE be pleased to state:

(a) what is the latest position of the National Average of the Credit-Deposit (CD) Ratio of Commercial Banks, Regional Rural Banks (RRBs) and Co-operative banks, alongwith average of the CD, State wise;

(b) whether it is a fact that Macro Financing is not accessible to the common rural masses due to lack of adequate branches in the rural areas; and

(c) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) As reported by the Reserve Bank of India (RBI), details of the Bank group-wise Credit-deposit (CD) Ratio of all Commercial Banks as on last Friday of September, 2007 is as under:

Category of Banks	CD Ratio
Nationalised Banks	70.2
Foreign Banks	79.9
Regional Rural Banks	61.5
Other Scheduled Commercial Banks	72.5

The State-wise CD Ratio of all Scheduled Commercial Banks is given in the Statement (*See* below).

NABARD has reported that the concept of CD Ratio is not applicable for Co-opoerative Banks.

(b) and (c) As on June 30, 2007 there were 30,663 rural branches of commercial banks as against a total of 71.781 commercial bank branches in the country.

RBI under its branch authorization policy has given banks the freedom to select centres for opening of new branches. However, while granting approvals, RBI ensures that the approvals include centres in rural/under banked districts also. Generally, all proposals for opening bank branches in underbanked districts/rural areas are considered favourably. Further, new private sector banks are required to ensure that at least 25% their total branches are in semi-urban and rural centres on an ongoing basis.

Further, a circular on "Financial Inclusion by Extention of Banking Services-Use of Business Facilitators and Correspondents" dated January 25, 2006 was issued by the RBI to all banks, whereby, with the objective of ensuring greater financial inclusion and increasing the outreach of the banking sector, banks have been permitted to use the services of Non-Governmental Organizations/Self Help Groups, Micro Finance Institutions and other Civil Society Organizations as intermediaries in providing financial and banking services through the use of Business Facilators and Business Correspondent models. The guidelines issued are primarily intended to help banks to extend their outreach and serve the rural masses even where they do not have any physical presence by way of branches.

Statement

Details of scheduled commercial banks; Region/State-wise credit-deposit ratio as on September-2007

(Amount in Rs. crores)

Region/Stste/UT	Credit-Deposit Ratio (Per Cent)
1	2
1. NORTHERN REGION	63.5
Haryana	55.0
Himachal Pradesh	39.9
Jammu & Kashmir	50.5
Punjab	62.7
Rajasthan	81.3
Chandigarh	100.2
Delhi	62.1
2. NORTH-EASTERN REGION	**41.6**
Arunachal Pradesh	29.7
Assam	43.8
Manipur	62.5
Meghalaya	31.8
Mizoram	58.5
Nagaland	31.8
Tripura	35.2
3. EASTERN REGION	**50.3**
Bihar	30.2
Jharkhand	33.6
Orissa	58.3
Sikkim	53.3
West Bengal	59.4
Andaman & Nicobar	29.0
4. CENTRAL REGION	**45.5**
Chhattisgarh	48.2
Madhya Pradesh	58.7
Uttar Pradesh	43.3
Uttarakhand	27.3
5. WESTERN REGION	**85.3**
Goa	25.1
Gujarat	60.3

1	2
Maharashtra	91.5
Dadra&Nagar Haveli	17.7
Daman & Diu	12.5
6. SOUTHERN REGION	**86.7**
Andhra Pradesh	89.1
Karnataka	76.1
Kerala	63.7
Tamil Nadu	109.8
Lakshadweep	9.2
Pondicherry	46.8
ALL-INDIA:	71.5

Notes: Date relate to last Friday of September 2007
SOURCE: BSR (Basic Statistical Return)-7

Prosecution under the prevention of Money Laundering Act

521. SHRI R. SHUNMUGASUNDARAM: Will the Minister of FINANCE be pleased to state:

(a) how many prosecutions have been launched under the prevention of Money Laundering Act in the current year;

(b) what is the total amount for which action have been taken towards attachment proceedings; and

(c) what are the offences for which the proceedings have been initiated?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Nil.

(b) During the period 2007-08, action has been taken for attachment of properties worth approximately Rs. 33.33 crores.

(c) The offences for which the proceedings have been initiated under the Prevention of Money Laundering Act, 2002, are as follows:

(i) Sections 121A, 302, 307, 384, 385, 386, 387, 467 of Indian Penal Code.

(ii) Sections 22 & 29 of the Narcotic Drugs & Psychotropic Substances Act, 1985, and

(iii) Section 25 of the Arms Act, 1959.

Subsidy in interest components on educational loans

522. SHRIMATI N.P. DURGA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government is seriously considering the proposal to subsidize the interest component on loans given to students for higher professional courses during the moratorium period;